

OPNAVINST 4860.7C

COMMERCIAL ACTIVITIES (CA)  
PROGRAM MANUAL



CHIEF OF NAVAL OPERATIONS

DEPUTY CHIEF OF NAVAL OPERATIONS (LOGISTICS)

7 JUNE 1999

**NAVY COMMERCIAL ACTIVITIES (CA) PROGRAM MANUAL**

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## Record of Changes

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## Introduction

This Instruction implements

- Office of Management and Budget (OMB) Circular A-76, Performance of Commercial Activities, 1983 and its Revised Supplemental Handbook, 1996 (NOTAL)
- Department of Defense (DoD) Directive 4100.15, Commercial Activities Program, 10 Mar 1989 (NOTAL)
- The DoD Instruction (DODI) 4100.33, Commercial Activities Program Procedures, 9 Sep 1985 (NOTAL)

This Instruction

- Establishes policy for managing and implementing the Navy Commercial Activities (CA) program.
- The Navy's Commercial Activity (CA) Program is a component of the Navy's Strategic Sourcing program. The reinvention of government must consider a wide range of options, including: the consolidation, restructuring or reengineering of activities, privatization options, make or buy decisions, the adoption of better business management practices and the termination of services or programs. In the context of this reinvention effort, the A-76 effort is focused on the conversion of commercial activities. The Navy is pursuing the reinvention of its infrastructure by the implementation of Strategic Sourcing. The key step in Strategic Sourcing is the proper definition of a function to optimize the use of tools to maintain or improve the level of performance or service, at a reduced cost. The A-76 process is one of the tools that may be utilized by an organization to obtain greater efficiency at a reduced cost.
- Follows, generally, the outline of the OMB Circular A-76, Revised Supplemental Handbook, 1996 and must be read in conjunction with same. As such, section/paragraph titles in this instruction correspond to those in the Circular. Readers will note that certain sections in this document contain brief discussions and summaries while other sections are absent of any text. This is intentional so as not to repeat what is contained in the OMB Circular.
- Provides guidance and procedures for determining whether recurring commercial activities will be performed as in-house operations using Navy

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facilities and personnel, or under contracts or agreements with commercial sources, state and local governments, and Federal agencies outside the DoD.

Commanders at all levels will continuously review their CA functions using the Commercial Activities inventory as a tool to identify competition opportunities. Commanders have authorization to nominate their activities as candidates for cost comparison.

If information contained herein conflicts with the law, or procedures contained in the OMB and DoD documents listed above, the law and/or OMB and DoD documents will have precedence over this instruction.